

Service Date: October 20, 2000

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER of the Application of	)	
Yellowstone Pipe Line Company To	)	UTILITY DIVISION
Increase Rates and Charges For Its	)	DOCKET NO.D2000.9.145
Billings, Montana to Bozeman, Helena,	)	ORDER NO. 6280
Great Falls and Missoula, Montana	)	
Petroleum Products Common Carrier	)	
Pipeline.	)	

\* \* \* \* \*

DEFAULT ORDER

FINDINGS OF FACT

1. On September 6, 2000, the Montana Public Service Commission (PSC) received an application from Yellowstone Pipeline Company (Yellowstone) for authority to increase rates and charges for transportation of refined petroleum products on its common carrier pipeline from Billings, Montana to Bozeman, Helena, Great Falls and Missoula, Montana.

2. Earlier this year Yellowstone determined it unfeasible to reconnect the pipeline between Missoula and Thompson Falls, Montana. As a result, all volumes out of Billings, Montana will continue to move on intrastate tariffs. Yellowstone proposed a 4-½ year pay back period for unsuccessful Bitterroot project costs. The total costs including interest is estimated to be \$16,500,000. To accomplish the payback, a surcharge of 18.5 percent will be added to the Montana PSC Tariff. The surcharge will be eliminated when Yellowstone has recovered all of its costs.

3. The current shippers have concurred with this surcharge.

4. On September 13, 2000, the PSC issued and published a Notice of Application and Intervention Deadline, requiring intervention by September 29, 2000 in order to conduct a public hearing. The PSC received no petitions for intervention.

5. The proposed versus the current rates are as follows:

<u>SEGMENT</u>	<u>CURRENT (\$/BBL)</u>	<u>PROPOSED (\$/BBL)</u>
Bozeman	\$0.4600	\$0.5451
Helena	\$0.6100	\$0.7229
Great Falls	\$0.7900	\$0.9362
Missoula	\$0.8600	\$1.0190

6. The PSC has reviewed the Application and finds the proposed increase acceptable.

#### CONCLUSIONS OF LAW

1. The Montana Public Service Commission has jurisdiction over the rates and charges of common carrier pipelines pursuant to Title 69, Chapter 13, Montana Code Annotated (MCA).

2. Yellowstone Pipe Line Company is a common carrier pipeline transporting refined petroleum products and therefore is subject to the jurisdiction of the Commission.

#### ORDER

IT IS HEREBY ORDERED THAT:

1. The PSC approves the rates and charges as follows for Yellowstone Pipe Line Co.

<u>SEGMENT</u>	<u>\$/BBL</u>
Bozeman	\$0.5451
Helena	\$0.7229
Great Falls	\$0.9362
Missoula	\$1.0190

2. This Order shall be effective for service rendered on and after November 1, 2000.

DONE IN OPEN SESSION at Helena, Montana on this 16th day of October, 2000 by a 5-0 vote.

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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DAVE FISHER, Chairman

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NANCY McCAFFREE, Vice Chair

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BOB ANDERSON, Commissioner

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GARY FELAND, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.